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## **SUMMARY OF THE MANUFACTURED HOME RELOCATION TRUST FUND AND RELOCATION TRUST AUTHORITY**

### **Trust Fund**

The Delaware Manufactured Home Relocation Trust Fund ("Fund") is established in the Division of Revenue of the Department of Finance for exclusive use by the Delaware Manufactured Home Relocation Authority to fund the Authority's administration and operations. Fund monies come from monthly fees of \$1.50 charged to each tenant and landowner for each rental lot in Delaware. Fund monies can be used:

1. to pay the administrative costs of the Authority; and
2. to carry out the objectives of the Authority:
  - a. by assisting **home owners** who are tenants in mobile home community where the landowner intends to change the use of all or part of the land or intends to convert the community to a condominium or cooperative community; and,
  - b. by assisting **landowners** with the removal or disposal of nonrelocatable or abandoned mobile homes.

### **Authority**

The Delaware Manufactured Home Relocation Authority (Authority) is administered by a board of directors made up of nine members, all appointed by the Governor. Four members are nominated by the homeowners' association, four from the landowners' association and one a member from the public-at-large. Three out of four homeowner members must reside in Delaware, two of the landowner members must reside in Delaware. The public-at-large member does not need to be a Delaware resident. The Governor designates a member as the chair. Board members may be reimbursed from the Fund for actual and necessary expenses but are not otherwise compensated for their services.

No civil liability and no civil cause of action of any nature may be brought against the Authority, an agent

or employee of the Authority, the board of directors of the Authority, or a member of the board of directors of the Authority for any act or omission in the performance of powers and duties under this subchapter unless the act or omission complained of was done in bad faith or with gross or wanton negligence.

The statute authorizes the board to “employ or retain such persons as are reasonable and necessary to perform the administrative and financial transactions and responsibilities of the Authority and to perform other necessary and proper functions not prohibited by law.” The statute further states that “the Authority is responsible for all direct and indirect costs for its operations, including, but not limited to, receipts and disbursements, personnel, rental of facilities and reimbursement to other State agencies for services provided and, therefore, must be fiscally revenue-neutral.”

Applications from tenants and landowners are reviewed by the board to determine if payment from the Fund is appropriate. Tenants are entitled to a relocation payment if the landowner changes the use of the land. The relocation payment pays for actual, reasonable expenses of moving the home to a new location within a 25 miles of its current location or the maximum relocation payment established by the board. The board’s determination of the payment amount is final and may not be appealed.

If the home cannot be relocated to another community, the tenant is entitled to compensation fair market value of the home as determined by a board-approved, certified manufactured home appraiser or the maximum amount set by the board, whichever is less. The tenant must turn over title to the home to the board who gives it to the landowner. The board’s determination of the payment amount is final and may not be appealed. The tenant can choose to abandon the home and collect a set payment from the Fund if title to the home is delivered to the board who gives it to the landowner.

Landowners can apply to the board for payments from the Fund for removal and disposal of nonrelocatable or abandoned homes. If a landowner realizes a profit from the removal or disposal, the landowner must reimburse the Fund in the amount of the profit.

A tenant, landowner or landowner’s agent who files any notice, statement or other required document which is false or contains a material misstatement of fact, commits a class A misdemeanor.